

# The Philippines After Aquino, After Marcos?

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# The Philippines After Aquino, After Marcos?

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Front and back cover: September 21, 1983 rally in Manila.  
Photos by Romeo Gacad.

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## Staff Notes

We're not out of the woods yet, but SRC enters 1984 with \$20,000 in grants already secured—\$10,000 from the San Francisco-based Povarellio Fund and \$10,000 from the Samuel Rubin Foundation. Our constant state of financial alarm with its accompanying parsimony has brought us to the end of 1983 in the black, thanks also to the contributors who responded to our fall appeal for aid, so all of the new grants will go toward meeting the 1984 budget.

The *Chronicle* needs to build up its network of contributors. If you or anyone you know is writing something we might be able to use, or if you run across material we may not have seen, let us know. Contributions don't have to be full-length articles; "Updates" are needed for every issue.

All of us wish all of you a good year in 1984. The signs point to an eventful year in which all of us will have much to do.

## The Resource Center Staff

Staff members for the Berkeley office are Meredith Meek, Joel Rocamora, and Martha Winnacker. Research assistance is provided by Jane Castellanos. Staff members for the East Coast office are Jacqui Chagnon, Audrey King, Don Luce, and Roger Rumpf. Contributing editor is Walden Bello.

## The Southeast Asia Resource Center

Formerly called the Indochina Resource Center, the SRC is a major nongovernmental source of information on current developments in the countries of Southeast Asia, and on the U.S. involvement there. The Center follows and interprets events in Vietnam, Laos and Kampuchea, as well as in Thailand, Malaysia, Indonesia, and the Philippines. This research and analysis continues in the tradition of the Indochina Resource Center, which played a key role from 1971 to 1975 as one of the sources of accurate information for the anti-war movement's successful effort to cut U.S. aid to the Thieu regime.

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# About This Issue

The rapid progression of events in the Philippines makes it imperative to understand the framework in which they are occurring.



*Corazon Aquino at Ninoy's funeral.*

It was a death unlike any other. Many have died at the hands of the Marcos dictatorship. But the bullet that shattered Benigno Aquino's brain also tore into the very fabric of Philippine life. Benigno Aquino's courage in the face of death, the drama of what was to have been a momentous homecoming, the arrogance of a government orchestrating a murder with the whole world watching all combined in a primal event.

By the millions, people poured onto the streets, marching for hours in the hot sun and cold rain. Day after day they came out, braving Marcos' threats and police bullets to protest the murder. Workers in worn clothes, nuns in billowy habits, students in T-shirts, business executives in coat and tie.

From the time, eleven years ago, when Marcos declared martial law, the number of people who dared to oppose the dictatorship increased steadily. Others continued to be intimidated by government repression. No more. The murder of Ninoy Aquino destroyed the wall of intimidation that held back the pent-up anger of millions of Filipinos. Ninoy's sister, Lupita Kashiwahara said it all: "The Philippines is never going to be the same again."

Writing about these events involves considerable risk. One cannot possibly

capture the drama of the assassination and its aftermath in print. The situation, in addition, is changing so fast that analyses have to be constantly reassessed. The papers in this issue were originally released in xerox form in October with the hope that they would not have to be reworked too much. In fact they have had to be extensively rewritten.

Apart from describing what has already happened, however, writing about a fast moving political scene can be useful if the framework within which political events move can be successfully laid out. This is what we have tried to do in this issue. In the main article, we have tried to describe the main protagonists in the Philippine struggle: Marcos and his cabal of relatives, generals, cronies and assorted sycophants; the U.S. government; and the opposition and its many sectors. Because of the importance of the economic crisis and ongoing attempts to resolve it, we have commissioned a separate article from SRC friends Robin Broad and John Cavanagh. The remaining articles are included in order to round out our readers' understanding of the current situation. The first, a detailed summation of known facts about the Aquino murder, establishes the strong circumstantial evidence linking

the Marcos military to the murder. The second tries to establish the political rationale for Marcos' direct involvement in the decision to murder Aquino.

By the time this issue of the *Chronicle* gets to you, many more things will have happened in the Philippines. The SRC staff hopes that this issue will help you understand these developments. In addition, we hope that understanding will lead to action. Philippine support groups are currently campaigning to get the IMF to postpone a decision on bailout loans to the Philippines until he restores political and civil rights fully. You can either write to the IMF directly or write or call the campaign coordinator: Walden Bello, 1346 Connecticut Avenue NW, Washington DC 20036; (202) 296-8152. The Campaign Against Military Intervention in the Philippines (CAMIP) also needs your help in preventing the Reagan administration from giving Marcos \$900 million rent for U.S. military bases in the Philippines.

Finally, friends in the Philippines have asked us to do everything we can to protest continued police arrests of demonstrators and other oppositionists. They have also asked us to mount major protest actions in the event of a crack-down on the opposition—which they believe may come immediately after the IMF approval of bailout loans. □



# Is Marcos a Lameduck Dictator?

Joel Rocamora

Marcos survives, but only by tactics which steadily narrow his options.

*Joel Rocamora is co-director of the Southeast Asia Resource Center. He writes frequently on current developments in the Philippines. He holds a doctorate in Government from Cornell University.*

It must be a source of some discomfort to Marcos that discussions about Philippine politics invariably begin with the question of his physical and political survival. Some, with a good dose of wishful thinking, say that Marcos is a lameduck dictator. Others, with different wishes, say that Marcos is weathering the political storm generated by the Aquino assassination.

The Philippine political situation is certainly far from stable. The December lull in anti-Marcos demonstrations will end when the Philippines' long Christmas season is over in January. The full impact of the financial crisis will not be felt until February and March, while negotiations for the financial bailout of the regime will continue probably also until March. Reagan may visit in April. National Assembly elections will be held in May. There are reports that the military is preparing detention centers for thousands of new prisoners.

Political predictions even in less volatile situations are hazardous. While it may not be possible to predict what will happen, some understanding of what has already happened should help at least in limiting the range of possibilities. Why, for example, has Marcos remained in power despite almost universal opposition to his regime? What is the Reagan administration policy towards the Marcos dictatorship? Who is in the opposition? What are the political goals of various sectors of the opposition?

Marcos' political predicament mirrors his physical condition. Lupus, from which Marcos is reported to suffer, is an ailment in which the body's immune system turns around and attacks internal organs it is supposed to protect. In much the same way, Marcos' elaborate structure of dictatorship is collapsing in on itself. The continuing impact of the Aquino assassination is fueled not just by strong popular suspicions of regime





*Aquino on the plane before arrival.*

complicity but also by economic and political crises generated by the regime's own policies.

The current economic crisis is only partly the result of adverse international economic conditions. Marcos' economic policies have made the economy dependent on short-term loans and revolving credits. On September 30, 1983, \$9.5 billion or 52 percent of the country's outstanding external debt was in short-term loans with maturities of one year or less. Revolving credits as a proportion of external debt increased from a range of 12-15 percent between 1969 and 1973 to a range of 24-26 percent since 1980. Revolving credits totaled \$4.6 billion on September 30, 1983. The cut-off of revolving credits and the flight of capital which provoked the current financial crisis would not have had such a devastating impact if the dictatorship's policies had not made the economy extremely vulnerable.

Similarly, the dictatorship's attempts to preserve itself politically have generated even bigger threats to its survival. Aquino was killed because his return threatened to disrupt a carefully constructed procedure for maintaining the dictatorship even after Marcos' death. But that act provoked a massive protest movement which has heightened the regime's isolation.

In 1972, Marcos declared martial law in order to preserve his elite faction's power. As long as elite factions outside of the government could be bought off with the rewards of an expanding economy, Marcos held things together. After three

years of economic stagnation, however, business people were chafing at Marcos' policies, and the Aquino assassination triggered their political assertiveness. Marcos cannot today reintegrate these elite factions into the government without fear of losing control and being subjected to punitive measures.

Even the inner recesses of the dictatorship have been shaken by Marcos' desperate attempts to retain power. By trying to establish his wife Imelda and his chief bodyguard Gen. Fabian Ver as his successors, Marcos has lost the personal loyalty of key cabinet officers such as Prime Minister Cesar Virata and Defense Minister Juan Ponce Enrile—competitors with Imelda and Ver in the succession struggle. They have remained in the government despite rumors that they have offered to resign, but they have made a point of dissociating themselves from Marcos' inner circle of relatives, cronies, and assorted sycophants. Others, including Foreign Minister Carlos P. Romulo and Education Minister Onofre Corpuz, have already resigned. The Marcos regime has lost its cohesion. Many in the government are now looking for graceful ways to leave a sinking ship, while all eyes watch Marcos' health. Marcos, in turn, is on the lookout for defectors and paranoid about possible coups-d'etat.

Finally, the requirements for surmounting the economic crisis contradict the requirements for the regime's political survival. The IMF-imposed devaluation of the peso has depressed living conditions for urban and rural poor, the majority of the population. Middle-class families with set salaries are going to find it even harder to make ends meet. Local business people trying to cope with increased peso costs of production at a time when the government has drastically reduced available credit are not going to be easily persuaded that it is necessary for them to support the dictatorship. Other aspects of the IMF austerity program—additional incentives for foreign investors, cutbacks in government spending including subsidies, increased costs for government services—will deepen economic stagnation and be opposed by multi-class coalitions cutting across Philippine society from lower to upper classes.

Some analysts continue to see Marcos as a clever political tactician who, despite all odds, has managed to retain power. Marcos has indeed successfully defended his own political position, but only by isolating himself and narrowing his options. His alternate use of arrogant threats and half-hearted conciliation of the opposition in the months since the assassination is the result of frustration and spontaneity rather than careful planning.



*Muslim demonstrators in Manila.*

The dictatorship's handling of the Aquino murder investigation is a good example. To counter widespread suspicion of government complicity, Marcos had to come up with his own story of the assassination. But the story is so shoddy, so full of inconsistencies and outright lies that even high government officials do not believe it. The government's commitment to a particular interpretation of the assassination also made it difficult to persuade people that it is interested in an objective investigation. The result is the sorry saga of the Fernando and the Agrava commissions.

Soon after the assassination, Marcos announced the formation of an investigation commission headed by Supreme Court Chief Justice Enrique Fernando. Although the majority of the members of the commission were Marcos loyalists, a few opposition personalities such as Cardinal Jaime Sin, and retired Supreme Court justices J.B.L. Reyes and Roberto Concepcion were included. Marcos announced their membership in the commission without consulting them, however. They refused the appointments, forcefully bringing home to Marcos the fact that he no longer had the moral authority to secure the participation of politically credible people in his political initiatives. The whole enterprise soon unraveled. Commission chairman Enrique Fernando was shamed into resigning. His replacement, Assemblyman Arturo Tolentino, then refused

## Demonstrations will resume after the Christmas lull.

to accept the appointment. At that point, the three remaining members of the commission resigned en masse.

The investigation commission subsequently appointed by Marcos is headed by retired Court of Appeals justice Corazon Agrava. The new commission has a bit more credibility because none of its members are in the government. Neither the Aquino family nor other opposition people, however, believe that the commission will be allowed to get at the real story of the assassination. These suspicions were confirmed when the government filed libel charges against a witness to the assassination who said that the government's story could not possibly be true. Another witness was so scared after soldiers came to his house before his testimony that he would testify only at the house of his lawyer.

Marcos' other political initiatives have been similarly unproductive. His attempts to downplay the massive protests after the assassination have been downright laughable. The millions who turned out to mourn Aquino were only "curiosity seekers," he said. Government surveys, in fact, insists Marcos, show that his popularity has gone up two points to 89 percent since the assassination. Assemblyman Leonardo Perez has come up with the best quip. The funeral procession looked massive, he said, only because the streets of Manila are narrow!

Marcos' feeble attempts to conciliate public anger hardly mattered when contrasted to the arrogance of his words and actions. He released 37 political prisoners but in less than a month arrested twice as many. He announced a ten-point program of economic policies to alleviate conditions and then turned around and devalued the peso. He promised "maximum tolerance" by police, but hundreds of demonstrators have been clubbed and tear-gassed, a number killed. When Cardinal Sin offered to set up a commission on reconciliation, Marcos replied: "I will listen to any advice coming from anyone, whether friend or foe, irrespective of how lacking in wisdom they may be. But after listening, I reserve to the



Bacolod City demonstration.

government and the presidency the power to decide what should be done...."

Much of the pressure on Marcos from the United States and from the business community has concentrated on the succession issue. He has not been any more forthcoming on this than on any other issue. By disbanding the Executive Committee of the cabinet, Marcos hoped to stop criticism that the succession procedure was too diffuse. He formally removed Imelda Marcos from the succession picture, but he also removed Virata. The new procedure, having the speaker of the National Assembly as a caretaker president mainly responsible for organizing elections for president and vice president 60 days after Marcos' death or resignation is not any more satisfactory. The current speaker, former Supreme Court Chief Justice Querube Makalintal, is a political non-entity, and Imelda and Gen. Ver retain their power within the government and without. Unless Marcos dies before then, no one will be elected vice president until Marcos' current term ends in 1987. As if to emphasize for whom he is making these changes, Marcos set the plebiscite to approve the new succession procedure for January 27, 1984, just 10 days after the current 90-day moratorium on debt service payments to foreign creditors expires.

The succession question is of primary concern to the U.S. government and local and international corporate managers who want to be assured that Marcos' policies will be retained without Marcos. A related, but less pressing concern is the cohesion of the country's ruling class, which has been polarized by Marcos' exclusion of major factions from political power. For elite oppositionists, the urge to rebuild ruling class



Opposition leaders Jose Diokno, left-center, and Lorenzo Tanada, right.



unity takes form in the demand for free elections. Elite oppositionists continue to believe that Marcos can be pressured into changing the conditions of electoral competition to give them a fair chance to defeat him, and Marcos has made enough changes to sustain their illusions. He recently offered two out of eight seats in the Commission on Elections to the opposition and changed the procedure for National Assembly elections from proportional representation within regions to single district representation. But as long as Marcos retains dictatorial control over the government and over the mass media, no meaningful elections can be held in the Philippines.

Despite tremendous pressure to broaden the government's base of support by making significant concessions to the opposition, Marcos seems to believe that he can operate in essentially the same way he has operated in the last 11 years. He may still succeed in remaining in power, but it won't be in the same way he has held it in the past. His political base is now much narrower than it was before the Aquino assassination. If he wants to stop the rapid growth of the opposition, especially the Left, he will have to resort to much more stringent repressive measures.

**I**f Marcos is so unpopular and isolated, what keeps him in power? A major element is continued support by the military, secured in part by such gestures as inviting generals to attend cabinet meetings. The threat of a military crackdown remains an important curb on opposition activities. But the military has not been immune to political trends in the Philippines or to the deep psychological impact of the Aquino assassination.

Marcos reportedly maintains his control over key military officers with regular under-the-table payoffs and by allowing them to engage in smuggling, drug dealing, kidnapping, bank robbery and assorted other lucrative crimes. Working through



Armed Forces Chief of Staff and intelligence czar Gen. Fabian Ver and key intelligence operatives such as Col. Rolando Abadilla, Marcos maintains tight control over civilian and military intelligence agencies. When Philippine Constabulary intelligence chief Gen. Balthazar Aguirre was killed recently in an accident under mysterious circumstances, political observers in Manila speculated that he was killed because he maintained contact with Aquino. These agencies hone their skills in torture and murder mainly on leftist political prisoners. They are also used to keep the military in line and to organize and defend military crime syndicates.





To defend himself against a possible coup-d'etat, Marcos has built a palace guard, the Presidential Security Command, whose size is kept secret. It is reputed to have some 10,000 troops. A second line of defense is provided by the Metropolitan Police Command (Metrocom) which has some 10,000 police including PC units with infantry training and equipment. The Second Army division based in nearby Tanay, Rizal province is a reserve force in the palace guard. Marcos has exercised particular care in making appointments for these units and often chooses relatives.

There are many rumors within opposition ranks of anti-Marcos groups within the officer corps. Pamphlets calling on officers to work against the Marcos regime appear periodically. There is indeed much evidence of dissatisfaction with the favoritism and corruption which Marcos tactics for controlling the military have spawned. But there is no evidence that this dissatisfaction has coalesced around a single leader or group. Neither PC chief Gen. Fidel Ramos nor Defense Minister Juan Ponce Enrile, the men often mentioned as potential leaders of anti-Marcos elements within the military, seem willing or able to take on such a role.

If the military is a major instrument for assuring Marcos' political survival, the continued support of the Reagan

Administration is even more crucial. On September 12, when the tremors from the Aquino assassination were first being felt among the Philippines' international creditors, one Japanese banker told the *Asian Wall Street Journal* that he was worried but "... we reckon that even if something goes wrong in the Philippines, the Americans won't allow the country to bleed to death." And indeed, with the country almost bankrupt and IMF and commercial bank bailout loans still under negotiation in mid-December, the Reagan Administration came through with \$350 million in quick disbursing loans and aid.

The cost of supporting the Marcos dictatorship economically and politically has risen precipitously and will continue to rise in the future. By canceling his November visit, Reagan has indicated that he does not want to pay one of these costs—close identification with Marcos at the height of his unpopularity. But this does not mean that the Reagan Administration has already given up on Marcos. Great pains were

### Marcos' alternate use of threats and conciliation reflects frustration, not planning.

taken to cushion the negative impact of the visit cancellation. Reagan Administration people have also come as close as possible to exonerating Marcos without actually doing so. While evading support for Marcos' communist plot story, a White House spokesman said soon after the murder that government soldiers were not involved.

The assassination of Aquino has exacerbated the conflict over Philippine policy between Reaganite ideologues and the liberal democratic wing of the American political elite. The Reagan administration began to distance itself ever so slowly from Marcos before the Aquino assassination. After August 21, when it would have made good political sense to accelerate the process, Reagan hesitated for a month-and-a-half. Liberal democrats, especially in Congress, have not been as reticent. Forty-five members of the House of Representatives signed a resolution condemning the Marcos regime soon after the assassination.

When the House later passed a watered-down version of the resolution almost unanimously, analysts speculated that for the first time in years there was bipartisan unity on U.S. policy towards the Philippines. Later events show the opposite. The December loans and aid for Marcos show that Reagan is





still behind him. The White House remains ideologically suspicious of liberalization as a strategy for resolving political crises of Third World dictators. The State Department and the U.S. Embassy in Manila, on the other hand, are steadily increasing pressure on Marcos to make concessions. Congressional opposition to the Reagan financial bailout of Marcos, meanwhile, is mounting.

One way of resolving the problem is to get Marcos to share power with the elite opposition in order to lessen his isolation and prepare the way for smooth transition in case he dies or becomes incapacitated. The problem is that Marcos is not, at least up to this point, willing to cooperate. The next step, given Marcos intransigence, would be to bring him down and replace him with another politician or group of politicians. Here again, Reagan faces a problem because Marcos has monopolized power so long that there is no one in the government or the elite opposition who is capable of holding the many disparate forces in the Philippine elite together. Marcos has been particularly careful about assuring the continued loyalty of the military, especially the troops in or around Manila. Thus even if the United States manages to get a group of lower level officers together, they still face the prospect of a politically debilitating division within the military.

The United States certainly has the power to bring Marcos down. The key instrument is the control which the IMF and the World Bank exercise over Marcos' financial lifeline. But as with the use of the military, a move against Marcos has to be done with the least possible damage to the whole economic and political system. Reagan seems to be waiting for Marcos to resolve the present crisis. Liberal Democrats in Congress are anxious to find a solution that does not have to include the thoroughly discredited Marcos.

**M**arcos' extreme isolation and political weakness are the result of the protest movement that burst upon the Philippine political scene with explosive force after the Aquino assassination. This movement has undergone many changes in the past four months. It is vast and complex. Its size and diversity are what has given the movement strength. But they are also a source of weakness.

When elite opposition leader Salvador Laurel heard that Aquino had been shot, he went out of the airport terminal to



*Aquino funeral mass at Sto. Domingo church.*

the waiting crowd, broke the news to them, and told them to go home and pray. In the immediate aftermath of the assassination, doubts were raised about the ability of the opposition to mount an effective protest. The mood within the elite opposition bordered on despair. "[The assassination] may thin us out further to a point where it is pointless to go on," Laurel said.

The first indication that there would be no surrender to despair was the surprising number of people who came to pay

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As long as Marcos retains dictatorial control, there can be no meaningful elections.

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their respects at the Aquino residence. Starting in the evening of August 21, people came in an unending 24-hour stream. "I wanted to see [my son] Ninoy again," Mrs. Aurora Aquino told the *New York Times* on August 25. "It was two or three in the morning. I thought there would be no one, but to my surprise, there were people still coming in. I said, 'Why have you come so early?' They said they were taxi drivers and this was the only time they could make it. I was so touched."



*Burning Marcos-controlled newspapers has become a regular feature of rallies.*

On Thursday, August 25, some 500,000 people marched from the Aquino residence to a suburban church where Aquino's body was transferred. Another 500,000 lined the route. The Aquino family and the rally organizers were stunned. No one expected such an outpouring of sympathy for the family and anger at the Marcos regime. At this point, the politics of the protest movement shifted from one of despair to hope and excitement.

Starting with the August 25 march, there have been demonstrations, rallies, and marches practically every day. When Sen. Aquino's body was brought to his hometown in Tarlac province 65 miles north of Manila, millions lined the

### **"The Americans won't allow the country to bleed to death."**

route. An estimated two million turned up at the funeral on August 31. All told, some seven million people participated in what was, by all accounts, the most massive outpouring of public sentiment ever in Philippine history.

By the time of the funeral, the coalition that organized the August 25 march had been formalized into the JAJA (Justice for Aquino, Justice for All Movement). Although the main elite opposition coalition, the UNIDO, refused to become part of JAJA, 65 other sectoral organizations were part of the coalition in Manila alone. The most prominent among them were the League of Filipino Students (LFS) and the May First Movement, a labor federation which provided 50,000 workers to perform the seemingly impossible task of keeping order at the funeral.

On September 9, a procession and mass to commemorate the end of the mourning period turned into a march by 30,000 and the first explicitly anti-Marcos mass action following the murder. Over the next few days, smaller demonstrations of 10,000 or more were held in various parts of the city and suburbs. The demonstration by well-dressed business people at Manila's financial district in Makati on September 16 received wide international media attention. A government attempt to organize a pro-Marcos rally in the same place on September 20 turned into disaster when this small group of demonstrators was pelted with rocks, bottles and water balloons from nearby office buildings.

International media attention has been concentrated on the middle-class rallies in Makati. Apart from the political novelty of demonstrations by wealthy corporate managers, their employees, and their families, these demonstrations are festive and accessible to Western journalists. Less attention has been given to the generally larger and more militant demonstrations by students and workers; even less to the demonstrations outside Manila. This is an unfortunate omission. While the post assassination protest movement has been largely an urban phenomenon, it is a nationwide urban movement. Demonstrations proportionally as large as those in Manila have been held in such cities as Baguio, Angeles, Legaspi, and Naga in Luzon; Cebu, Bacolod, and Iloilo in the Visayas; and Davao, Zamboanga, and Cagayan de Oro in Mindanao.

All of these mass actions culminated in simultaneous demonstrations in nine cities on September 21, 1983 marking the eleventh anniversary of the declaration of martial law and 30 days after Aquino's murder. This demonstration marked the

high point of the protest movement in terms of the political issues taken up and the range of groups represented. The rally statement, entitled "Manifesto of Freedom, Democracy and Sovereignty," said: "The Filipino people will no longer tolerate the loss of their liberties, the exploitation of their labor, the plunder of their natural resources, the shameless looting of public funds, the arbitrary arrests, brutal torture and ruthless murders of their children and their leaders, the arrogant presence of alien military bases on their land, the mockery of elections and the denigration of their sovereignty—all perpetrated by a government that has forcibly imposed itself upon them with the support of the U.S. government."

**T**he large marches and rallies during this period represented one political trend—mass pressure on existing opposition groups to move towards unity. Another trend, an outgrowth of the society-wide polarization, was a process of political differentiation within the opposition.

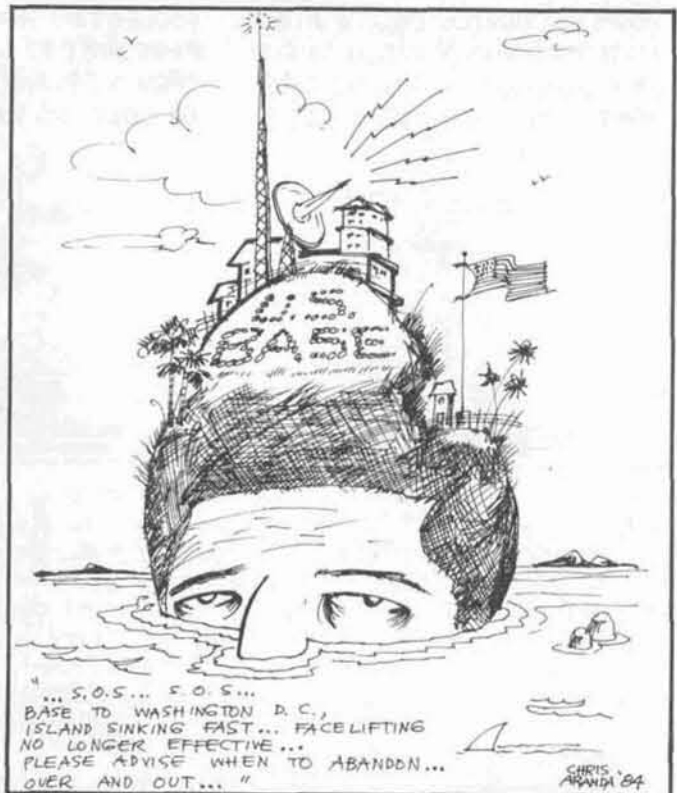
**The Elite Opposition.** After an initial period of despair when the strongest threat that Laurel could make was that the opposition would disband, the massive rallies gave the elite opposition a much-needed boost in morale. At a meeting of 50 opposition groups on September 8, Laurel changed his tune to say that "The death of Mr. Aquino has beefed up and buttressed the opposition." The Makati rallies provided more than a morale booster. For the first time in years, the elite opposition was getting an infusion of new people, and especially important, people from their own social class.

The most conservative position in this segment of the opposition is that of Roman Catholic Cardinal Jaime Sin. Although Sin played a useful role in the opposition, his

**Nobody in the government or elite opposition can hold the disparate forces in the Philippine elite together.**

insistence on reconciliation with Marcos went directly against the opposition's call for the dismantling of the dictatorship.

The only segment of the opposition that Marcos has tried to mollify is the Makati businessmen. While continuing to use force to break up demonstrations in other parts of the city, Marcos stopped sending riot police to Makati after his meetings with opposition businessmen. While calling for major changes in government, including the removal of Imelda and Ver, "Few of the businessmen are calling for Marcos to resign,



at least for now, they don't know who would replace him and they fear anarchy or military rule." (*Asian Wall Street Journal*, Oct. 3, 1983). They also continue to support the main outlines of Marcos' economic strategy and are not overly critical of the U.S. role in the country. After Reagan canceled his November visit, the Makati businessmen organized a rally to thank Reagan and to express support for U.S. military bases.

This segment of the anti-Marcos opposition was instrumental in undermining the international financial community's confidence in the Marcos regime. It also counts heavily in determining U.S. policy towards Marcos because of U.S. concern about ruling class cohesion as a key factor in the long run. But it is also the weakest link in the opposition because it remains open to "concessions" that could just as easily work for Marcos as against him.

Organized groups in this segment of the opposition such as UNIDO (United Democratic Organization), a loose coalition of pre-martial law political parties and regional groupings, and





OUR INVESTIGATION SHOWED A LONE LEFTIST GUNMAN WAS ABLE TO SLIP, ARMED, THROUGH THE TIGHTEST AIRPORT SECURITY IN THE WORLD...



FOOLED TWO UNSUSPECTING ARMY PERSONNEL TO GET SENATOR AQUINO FROM THE PLANE...DUPED A GROUP OF SOLDIERS TO STOP BY ARMS



A SWARM OF FOREIGN PRESS FROM FOLLOWING...CLEVERLY GOT TO INCH CLOSE ENOUGH TO SHOOT THE SENATOR ONCE IN THE HEAD.



the Pilipino Democratic Party (PDP), a social democratic group, are participating in the May 1984 elections despite the fact that the "concessions" Marcos has offered do not significantly alter the terms of electoral competition. Other opposition politicians such as former Senator Jose Diokno and the Aquino family are opposed to participating in elections as long as Marcos retains dictatorial powers. Even if Marcos allowed the opposition a large proportion of seats in the assembly, they point out, it would not make much difference since the assembly is powerless.

**Popular Forces.** The largest segment of the opposition in terms of numbers and long range political strength can best be contrasted to elite oppositionists on two key issues. Where elite oppositionists are mainly opposed to Marcos and his immediate circle of allies, popular organizations demand the dismantling of the entire U.S.-Marcos dictatorship, including both key personnel and policies. The elite opposition would be pleased if the United States would stop supporting Marcos and in fact continues to hope that U.S. support will be transferred to its leaders. Popular forces demand the radical restructuring of U.S.-Philippine relations away from U.S. dominance and control.

Within this broad political consensus there are some differences on questions of strategy and tactics. Some groups believe that the massive post-assassination movement can be organized to bring Marcos down and the process of reorienting the Philippine economy and politics begun. Others, most importantly the National Democratic Front (NDF), believe that no fundamental changes can be made until the opposition has the military strength to dismantle the U.S.-Marcos dictatorship, and of equal importance, to defend a liberation government.

In its September 1983 issue, *Liberation*, the official NDF organ said: "While there is a need for anti-dictatorship forces to persevere in militant struggle in Metro Manila, it would be foolhardy at this point to encourage widespread armed confrontation. To do so is to invite disaster. Not until the peoples armed forces in the countryside have gained enough strength to lay a siege around the capital, and the city's population is sufficiently prepared, will the outbreak of an armed uprising lead to a decisive victory for the people. . . . Notwithstanding its defensive character, the urban struggle has to be fully developed to wring crucial democratic concessions, heat up the fighting mood of the people, and hasten the regime's political isolation."

It would be difficult to sort out where groups or individuals fall in the debate on tactics, not only because the debate is not carried out in public but also because the political situation is changing so rapidly and positions change correspondingly.

The underground groups, the Moro National Liberation Front (MNLF), the Communist Party of the Philippines (CPP), and a number of small Marxist and radical Christian groups all agree on the need for armed struggle whatever other differences they may have. The MNLF continues to fight in Mindanao, if at a reduced level. The small Marxist groups are trying to develop the capability for armed struggle and to interact with the surging urban mass movement.

The largest and most influential underground organization is the Communist Party of the Philippines and its military arm, the New Peoples Army (NPA). Among the organizations of the opposition, the CPP is politically and organizationally best prepared to benefit from the post-assassination situation.

## Popular organizations demand the dismantling of the entire U.S.-Marcos dictatorship.

The murder of Aquino starkly shows that Marcos will use all means to defend his monopoly of power. It also shows the limits of reformist strategies in the anti-Marcos struggle and the need to develop the capability to fight Marcos on his own terms, with armed, underground forces.

The work of the NPA has not been directly affected by the political ferment since August 1983, because the post-assassination mass movement has been largely an urban phenomenon. But in the long run, it will certainly benefit from the rapid development of the urban united front work generated by the post-assassination situation. The main united front organization in the urban areas is the National Democratic Front. "The NDF," Filipino political scientist Francisco Nemenzo, Jr. says, "provides political guidance to sectoral organizations in big towns and cities. It is definitely the most crucial factor in the current upheaval because it is the only force capable of mobilizing a critical mass for urban demonstrations. Even in the most repressive moments of the martial law period, NDF was able to mobilize at least 40,000 people [in Manila]. This tremendous mobilizing power must have doubled, tripled or quadrupled since Aquino's death."<sup>1</sup>

Even if it were possible, it would not be politic to trace the connections between underground groups and legal organizations. What is important is that except for minor differences over tactics, by far the largest segment of the urban protest movement carry the politics of the Left. Even elite politicians, on occasions such as the September 21 rally, are forced to affirm leftist positions. It is precisely because of the vacillating and opportunistic politics of elite politicians that two among them, former senators Jose Diokno and Lorenzo Tanada,

# Nationalist Alliance for Justice, Freedom and Democracy

## What is the Nationalist Alliance for Justice, Freedom and Democracy all about?

The Nationalist Alliance for Justice, Freedom and Democracy is a response to the challenges of the present times. Times of grave repression, deceit and violent abuse of power by the U.S.-Marcos dictatorship. Times when justice, freedom and democracy are denied the Filipino people. Times of massive poverty, hunger and deprivation.

The Nationalist Alliance affirms that the U.S.-Marcos dictatorship is chiefly responsible for the crisis situation in the political, economic and socio-cultural life of the Filipino nation. That the only viable option left for the people to resolve this full-blown crisis is to dismantle the U.S.-Marcos dictatorship.

The basic principles of the Nationalist Alliance are:

- **Democracy** that upholds the liberation of the people from the shackles of the dictatorship, the deliverance of the workers and peasants from all forms of economic and political domination, and seeks the establishment of a democratic government truly representing the people's interests.
- **Nationalism** that asserts national sovereignty in the economic, political, military and cultural affairs of the country against U.S. imperialism and its local agents and against any other form of foreign domination and undue interference in the country's internal affairs.
- **Progress** that seeks the emancipation of the economy from imperialist control and the vestiges of landlordism; one that recognizes the toiling masses of Filipinos as the main pillars in the promotion of national industrialization, the development of agriculture and enhancement of science and technology.

We seek unity with all democratic sectors, groups and individuals. Recognizing that the workers and peasants are the most exploited and oppressed and comprise the majority of the people we seek to unite, we place their struggles and aspirations as our top priorities. Such a unity is of utmost necessity if we are to succeed in resisting the oppressors. Forged in struggles and tempered in the process, this same unity will also be the key in the building of a just, independent, democratic, and prosperous Philippine society. The establishment of a just, democratic and prosperous Philippine society is the fundamental goal of the Nationalist Alliance.

## What is the Nationalist Alliance's Program of Action?

### In the political field

1. Work for the dismantling of the U.S.-Marcos dictatorship and strive for the establishment of a coalition government based on a truly democratic and representative system.

2. Campaign against all autocratic and antidemocratic laws that legitimize the Marcos regime and give license to the wholesale violation of democratic rights.

a. Seek an end to political repression and fight for the basic democratic rights of the people such as freedom of the press, assembly, association, movement, religious belief, and the right to due process.

b. Demand an end to the ban on workers' rights to strike as well as iniquitous laws against the workers' interests, such as the anti-picketing law and the prohibition on government employees to unionize except those in the military, police forces, and fire department units.

3. Campaign against militarization and the widespread practice of terrorism and abuse of civilians by military and paramilitary personnel.

4. Campaign against all anti-nationalist provisions of the Marcos constitution as well as other laws which allow the regime to bargain away our national sovereignty, territory, and patrimony.

a. Demand the abrogation of all unequal treaties, agreements, and laws granting undue privileges to any foreign firm, nation or person in investment, land and natural resources appropriation, trade, and in military and cultural affairs.

b. Work for the dismantling of U.S. military bases and other related U.S. installations in the country.

5. Oppose all forms of U.S. military and U.S. political intervention in the country.

6. Support the cultural communities in their struggle against the oppressive system, and towards all-around progress.

7. Demand the unconditional release of all political prisoners.

8. Oppose all forms of foreign military and political intervention in the country.

### In the economic field

1. Demand the nationalization of basic industries owned by U.S. and other foreign interests; ask the protection of national capital, both public and private, against the assault of big foreign business.

2. Urge the cancellation of all foreign loans inimical to genuine economic development in cooperation with other developing nations in their search for a new international economic order.

3. Support the peasants' demands for rent reduction, elimination of usury, higher prices for their farm products and lower prices for agricultural inputs; work towards a genuine land reform program whereby the tillers get their share of land at no cost or at the least cost and seek the promotion of agricultural cooperation and other measures to uplift the livelihood of the peasantry.

4. Under a restored democracy, push for national industrialization and modern agriculture in building a strong and self-reliant economy.

a. Propose effective comprehensive planning for balanced economic development with the public sector in a position to muster financial resources for productive investment; make agriculture and industry support each other's rapid economic advancement.

b. Encourage the public sector to take the lead in the industries and to engage in joint industrial ventures

SOUTHEAST ASIA CHRONICLE

with the Filipino private sector; support the cooperative movement among the peasants and among other small producers such as fabricators, craftsmen, and even repairmen so that they can raise their level of production and incomes.

c. Support the initiative of responsible Filipino entrepreneurs, ensuring sufficient credits for their enterprises.

5. Work for the protection of the people's livelihood.

a. Support the workers in their demands for job security and wage increase in the face of inflation; the poor communities in their campaign against soaring prices of commodities, and seek ways of creating a means of livelihood and increasing income of poor families.

b. Demand an end to unjust taxes.

c. Press for indemnification for the victims of the regime's military campaigns such as hamletting, salvaging, massacres, and the like.

d. Oppose the eviction of cultural communities from their ancestral lands and the urban poor from their slumdwellings without adequate provision for housing and means of livelihood. Demand adequate compensation for those who are already victims of ejection.

e. Demand compensation for people whose health, land, and other property have been damaged by big business and construction projects which involved the destruction or pollution of the natural environment.

f. Press for the expansion and improvement of essential public services like health, education, water supply, transportation, communication, and the like.

g. Seek relief and the proper distribution of relief aid for the victims of natural calamities.

#### In the cultural field

1. Work towards the promotion of national culture that derives mainly from the Filipino people's rich cultural heritage and relies on their creative potential towards the enhancement of genuine progress. Oppose the prevailing colonial and neocolonial outlook and mentality, and all forms of superstition.

2. In education:

a. Oppose the anti-national orientation of the educational system made possible through foreign loans, foreign advisers, foreign books and teaching materials, and proimperialist agents among education officials.

b. Push for the expansion and im-

provement of the public educational system at all levels and encourage private schools to put emphasis on quality education rather than on profit.

c. Support the struggles of teachers, researchers, and nonacademic school personnel for better compensation and working conditions, active participation in policymaking, academic freedom, the right to self-organization, and freedom of assembly.

d. Support the students in their struggles for lower costs of education, for the right to campus press freedom, self-government and organizations, for the right to freely express themselves, the right to freedom of assembly, and representation in policy-making.

3. In mass media:

a. Condemn the regime's propaganda in all cultural media.

b. Carry forward the struggle for press freedom, break the regime's monopoly of the mass media and encourage the development of mass media not owned or controlled by Marcos and his minions.

4. In health and social services:

a. Work for the establishment of a democratic social services scheme including an accessible public health care system from primary to secondary and tertiary levels.

b. Encourage the development of indigenous health practices and technology.

c. Promote nationalism and social

commitment among health practitioners and students.

d. Work for free and adequate welfare services for the urban poor, victims of forced evacuations, and refugees from highly militarized areas.

e. Oppose the domination of foreign firms and corporations in pharmaceutical products, medicines and equipment, and demand an end to the dumping of banned and obsolete drugs and medicines in the country.

5. Promote the development of a national language as the principal medium of communication and instruction in the country, while allowing the local languages to flourish in their particular areas.

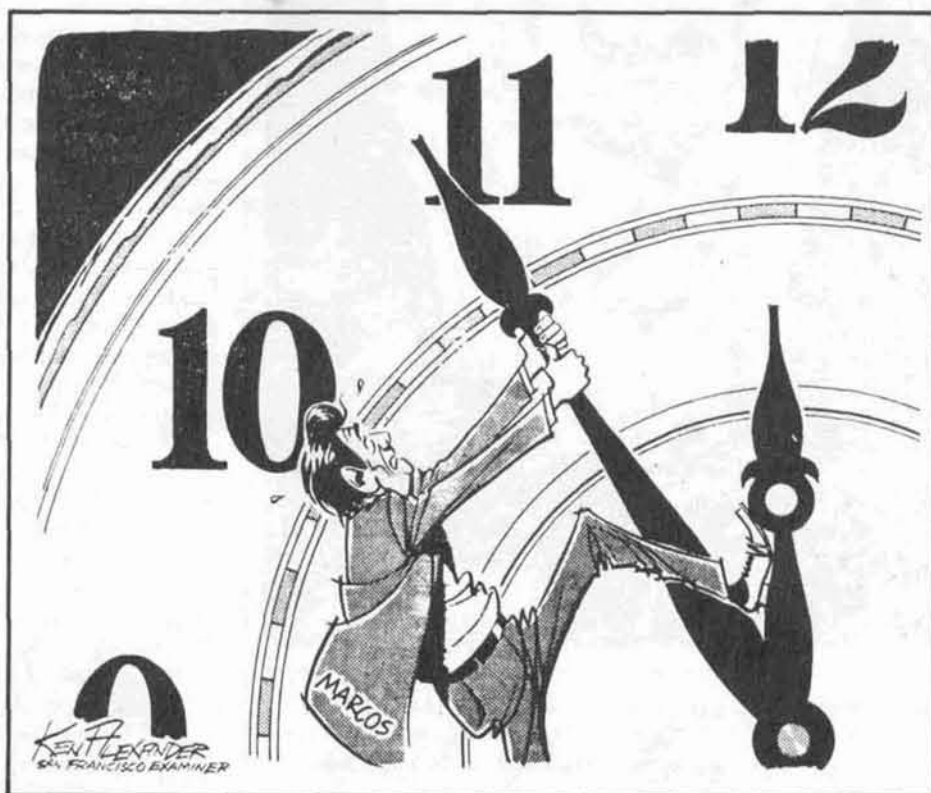
6. Encourage the development of progressive sections of religious organizations and respect the right to religious belief.

#### In the field of foreign relations

1. Work for an independent foreign policy and the development of foreign relations on the basis of sovereignty, equality, non-interference, respect and mutual benefit; oppose foreign domination, intervention, and interference.

2. Condemn the U.S. imperialist domination of the Philippines and seek the support of other countries and peoples for the struggle of the Filipino people to liberate themselves from this domination.

3. Work for the policy of neutralization and non-alignment.





# Disintegration of an Economic Model

The economic crisis may make it impossible for anyone to govern the Philippines.

*Robin Broad and John Cavanagh*

Economics, predicted Benigno Aquino in the months before he returned to Manila, would "determine the longevity" of the Marcos regime. Aquino believed the economy was Marcos' "Achilles' heel" and would prove his "undoing." "The grass is dry," he warned. "All you need is a spark."

While Aquino's assassination may prove to have been the spark, it was long-growing economic desperation which brought poor, middle, and upper classes into massive protest demonstrations. No longer were the anti-Marcos demonstrators simply the more militant students, workers, slum-dwellers, peasants, and small businessmen. The murder even sent top Filipino financiers and capitalists onto Ayala Avenue—actions analogous to the Rockefellers funding and leading demonstrations in Wall Street (and giving their employees time off to join in). Central Bank officials, horrified at the tons of phone-book confetti showering down from protesting employees, were forced to confiscate the surviving phone books.

Watching nervously, transnational corporations and banks have taken steps to distance themselves from the Marcos government; some have left the country altogether. The World Bank and International Monetary Fund (IMF), which have provided the most important external support for Marcos' "New Society," on the other hand, are trying desperately to hold things together despite the government's inability to meet their economic targets. As the plight of the poor and middle classes worsens, and poverty, malnutrition, and discontent rise, time is running short.

The roots of the current malaise are found in the mold into which Ferdinand Marcos began casting the Philippine economy over a decade ago. Since Marcos declared martial law in 1972, the Philippines has been an obedient disciple of the export-oriented development model pushed by the World Bank and IMF, the guardians of the international economic order. Under the close guidance of the Bank and Fund, Philippine technocrats (with whom Marcos has surrounded himself) have increasingly sculpted their economy to meet the exigencies of Western transnational corporations (TNCs).

As a result, the Philippine archipelago today stands as little more than a cheap labor sanctuary for the low-skill needs of TNCs' global assembly lines. TNCs fly semiconductor components into the country so that young Filipino women may spend eight hours or more every day stooping over microscopes to perform merely one of the ten major operations of the electronics industry's worldwide production process. The semiconductors take the next plane out of the country to be finished elsewhere. Likewise, imported textiles come into the Philippines to be transformed into exported garments.

It all happens under the most advantageous terms for TNCs, with incentives ranging from virtually tariff- and tax-free production with guarantees of a controlled labor force, to



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priority access to domestic credit. A risk assessment carried out earlier in 1983 by the New York-based Business Environment Risk Index (BERI) firm chronicled the extent to which the Philippine government has created "extremely attractive" incentives for foreign investors beyond the usual fare. These included allowing firms in export processing zones to pay workers only 75 percent of the minimum wage for the first six months (which has promoted short hiring/firing cycles by many TNCs), and a clear policy of looking the other way in the face of flagrant violations of occupational safety and health regulations.<sup>1</sup>

The so-called "export-oriented industrialization" path for the 1980s was riddled with complications. With world trade (in volume terms) growing at a funereal pace of 1.5 percent in 1980, stagnating completely in 1981, and declining in 1982, the expanding global environment necessary for successful export-oriented industrialization quickly disappeared. Moreover, to moderate the recessionary bite at home, developed countries increasingly barricaded themselves behind a proliferation of non-tariff barriers to trade, notably quota limits on manufactured exports from developing countries of precisely the sort to which the Philippine economy has been directed.

The brutal reality of such suicidal development hit the Philippines as early as 1981. Export earnings dropped 4.3 percent from 1980 to 1981 and accelerated their descent to 12.6 percent in 1982 as primary commodity prices plummeted. In the meantime, Philippine real growth plunged to 2.5 percent in 1981 and 2.0 percent in 1982, below the country's population growth. Beneath all this was a mountain of debt which had hit \$25 billion by the third quarter of 1983, a sum demanding service payments which simply could not be made. The debt crisis, a curse primarily of Latin America, had moved to the East.

By early 1983, the failure of the export model was evidenced in many spheres. As larger export enterprises were promoted, bankruptcies of more labor-intensive small and medium-sized firms occurred at a pace which devastated the labor force. BERI estimated in early 1983 that only five to six million of an available work force of 18 million had regular jobs.<sup>2</sup> The net income of the top 1,000 corporations in the country also suffered, dropping an unprecedented 62 percent in 1982 and continuing the decline in 1983. Months before the Aquino murder, local businessmen, uncertain of the country's economic future, had started to leak private capital out of the country in large amounts.

These pronounced failures began to shake the confidence of transnational corporations and banks as early as the summer of 1982.

The Philippines had boomed during the 1970s, making it the third highest recipient of U.S. investment among devel-

oping countries in Asia. Between 1979 and 1982, however, U.S. investment no longer grew but remained at \$1.2-\$1.3 billion.

While investment was stagnating, TNCs shifted to another strategy which proved far less risky given the uncertain economic atmosphere: international subcontracting. Under this strategy, manufacturers based in developed countries subcontract the most labor-intensive stages of production (sewing or assembly, for example) to the Third World nations where labor is cheap. Once assembled, the transnational re-exports the goods—under generous tariff exemptions—to the developed country instead of selling them to the local market. The subcontractor may be the transnational's own subsidiary, an independent firm, or an agent who further subcontracts the assembly work to women who work in their own homes.

These latter two forms of subcontracting became particularly attractive substitutes for investment as global recession hit. TNCs could more easily slash production orders without idling their own factories. Given the transnationals' tremendous power over local subcontractors, they could usually win even lower wages and poorer working conditions from the predominantly female employees than is the norm. Between 1975 and 1982, U.S. imports from Philippine subcontracting rocketed from \$20 million to well over \$600 million.

In the midst of this transition from foreign investment to subcontracting came a major jolt to all foreign interests in the country. In June 1982, around 10,000 (mostly women) workers from more than 25 plants in Bataan, the Philippines' largest export processing zone, walked out on a two-and-a-half day

**By 1981 it was possible to see that Marcos' development strategy was suicidal.**

general strike, shattering forever the myth of a docile and easily controlled work force. Now foreign capital dried up so dramatically that Marcos whittled down plans for new export processing zones and industrial estates from a projected 17 to 11.

Then, six months after the Bataan strike, the first major divestment was announced. It struck at the core of the export-oriented strategy: semiconductors. Sygnetics, a subsidiary of the U.S. Philips Corporation (in turn, an affiliate of the Dutch giant Philips), disclosed that it was abandoning its 900-person work force and leaving the Philippines for South Korea and Thailand. The move effectively turned the World Bank/IMF strategy of attracting light industry from other parts of Asia to lower-wage Philippines on its head; the tide had now shifted back toward the Asian mainland. A month later, the world's third largest corporation and seventh largest Phil-

THE ONLY WAY THIRD WORLD  
NATIONS CAN WEATHER  
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CRISIS...

IS BY CUTTING OFF  
IMPORTS AND INCREASING  
EXPORTS

HOW CAN  
COUNTRIES  
INCREASE  
EXPORTS  
IF NO ONE  
IMPORTS?

IT'S NOT OUR ROLE TO  
MAKE SPECIFIC POLICY  
RECOMMENDATIONS



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ippines firm (by revenues), Mobil, sold off its Philippine operations and left the country. Other smaller divestments followed.

Transnational bankers, who had largely financed the Philippines' transformation toward light industry, suffered the same plunge from high profits to gloom. In November 1982, Wharton Econometric Forecasting Associates warned that debt restructuring seemed "inevitable" in 1983.<sup>3</sup> Bankers began demanding higher interest rates on new loans; Philippine banks were called on to enlarge their role in multi-bank syndicated loans as transnational banks scaled back operations. In mid-1982, 70 percent of U.S. bank lending to the Philippines was for

## The crisis in confidence brought a capital hemorrhage.

terms of less than a year, far higher than the short-term shares in Brazil, Mexico, Chile, and other major debtor nations.

Despite such retrenchment by transnational corporations and banks, the Philippine economy was not allowed to collapse. Just as Reagan maintained his seal of approval on Marcos, the World Bank and IMF continued to apply glue to the fragmenting economy. In early 1983, the Bank and Fund coordinated major new loans to the Philippines: a \$303 million structural adjustment loan and a SDR 315 million standby arrangement.

This was the fragile state of economic affairs into which Benigno Aquino flew. The Philippines in August 1983 was arguably the most troubled economy in all of Asia.

The most immediate impact of the Aquino assassination on this rapidly deteriorating state of affairs was psychological: the Marcos regime's inability to distance itself from the crime placed it in a tight corner. Confidence in the government's ability to survive, previously shared by both the U.S. government and certain private interests in the country, dissipated. Cognizant that external economic support is central to his survival, Marcos has gone to great lengths to persuade bankers and foreign corporations to remain at his side. Yet, as Marcos himself admitted some months after Aquino's murder, foreign investors and lenders were "holding back the help they should be extending to us."<sup>4</sup>

A devastating manifestation of the widespread crisis in confidence was a capital hemorrhage from the country, estimated conservatively to hit \$500 million in legal outflows and another \$200 million in illegal transactions in the first two months following the assassination. By early November 1983, the Philippines possessed a mere \$430 million in foreign reserves to meet average monthly import bills of \$600 million and staggering debt service payments. U.S. government sources estimated Philippine external debt at \$23 billion at that time. Even assuming that Philippine technocrats can orchestrate the rollover of the \$9 billion short-term debt portion of that total, repayment of \$3.4 billion will be required over the next year.

This politically and economically bankrupt regime left most bankers (in the words of the *Wall Street Journal*) "in plain fright,"<sup>5</sup> and adamant against renewing short-term lending. In an emergency move early in October, an advisory group of 10 American, European, and Japanese banks agreed to Marcos' desperate plea for a 90-day moratorium on principal payments. The group simultaneously began negotiations to refinance all loans falling due before 1985.

But at least two major demands accompanied the bankers' acquiescence. Interfering directly in the political process, they predicated refinancing on the government's formalizing an unambiguous system of presidential succession. Privately they made it clear that their favored technocrats should figure prominently in the plan. The second bank demand was more typical: play ball with the IMF, the institution whose seal of approval is viewed by transnational banks and corporations as vital to their continuing participation in the country. Just weeks earlier, the IMF had decided it had no choice but to break off the Philippines' 1983 standby arrangement in mid-stream because of the country's blatant failure to meet the program's economic targets.

In a desperate move to demonstrate total allegiance to the Fund, Marcos agreed to devalue the peso by a staggering 21.4 percent in early October, and the Fund immediately announced negotiations for a new \$630 million 15-month accord. The devaluation, Marcos knew, would only intensify his domestic opposition, especially as he publicly announced that it was part of a package of "drastic reforms" demanded by the IMF. Before the month was out, domestic conditions deteriorated even further as the devaluation and government cutbacks took effect. Food prices shot up alarmingly; store shelves were cleared of rice, corn, sugar, and other necessities; gas and basic foodstuffs were hoarded. Meanwhile, the voices of opposition were translated into more militant action.

As news leaked out that the IMF package being negotiated would include cuts in wages and social spending, and as Labor Minister Blas Ople predicted massive layoffs in foreign exchange-starved industries, labor took the offensive. Strikes spread across the full range of economic activities, from public school teachers to telephone workers. There were reports of demonstrations by 25,000 workers at the Bataan Export Processing Zone and talk of a possible general strike.

What was becoming all too apparent was that the tightrope of appeasement between foreign economic interests and domestic opposition forces was impossible to walk. As the technocratic Central Bank Governor Jaime Laya bemoaned: "It is a damned-if-you-do and damned-if-you-don't situation."<sup>6</sup> Marcos's pre-devaluation attempt to walk that tightrope had only led to contradictory actions and chaos. One day he pulled Ayala Avenue businessmen into his office to offer them a program of economic assistance; the next day he threatened to imprison certain of their leaders.

By early November, however, Marcos had been convinced that his survival in the Presidential Palace could best be prolonged by capitulating to foreign economic demands. New gestures included opening up previously restricted areas of the economy to 100 percent ownership by foreign firms. But while his would-be international protectors might readily accept his capitulation, they were rapidly amassing doubts about his personal capacity to continue.

Doubts for many became fears in December when an international financial team discovered that the Philippine Central Bank had resorted to fabricating statistics. In an attempt to attract new loans and keep foreign investment in the country, the Bank had been overstating its foreign exchange reserves by \$600 million. IMF officials were furious and sent a team back to the country to recheck government statistics. One irate IMF official suggested that Central Bank Governor Jaime Laya "ought to be fired."

Dissension in the IMF spread to the banking community. While 12 of the largest private bank creditors in New York had been assembling a new short-term rescue package reported to include \$1.6 billion in new loans and \$3-4 billion in trade



credits, several smaller bankers with loans outstanding to the Philippines have expressed apprehension about any further lending. Attempts by the U.S. government to provide over \$600 million in bridging finance is likewise facing challenges in Congress. Such debate and opposition are creating costly delays at a moment when the Philippine government is in drastic need of a bailout.

## The IMF learned that the Central Bank was falsifying statistics.

One year ago, Imelda Marcos declared that "the Americans need us more than we need them." Whatever truth lay in that statement then has been eclipsed by a march of events which is turning Marcos more into a liability than an ally for the United States, banks, and corporations. Interagency task forces in Washington, D.C. are frantically searching for the alternative that can best continue to serve foreign economic and strategic interests, but in a far more stable atmosphere.

Yet it is precisely the careful molding of the Philippine economy to foreign requirements which places stability out of reach. Among the IMF's conditions for emergency credit assistance, for example, are stringent restrictions on imports and near-total government control of foreign currency assets. But the Philippines' export-oriented industries cannot func-

tion without importing the raw materials and semi-finished products which they process. Hence, the IMF-dictated solution to the immediate debt crisis ensures a continuing crisis in all parts of the Philippine economy, one which Marcos and his successors will be hard pressed to resolve.

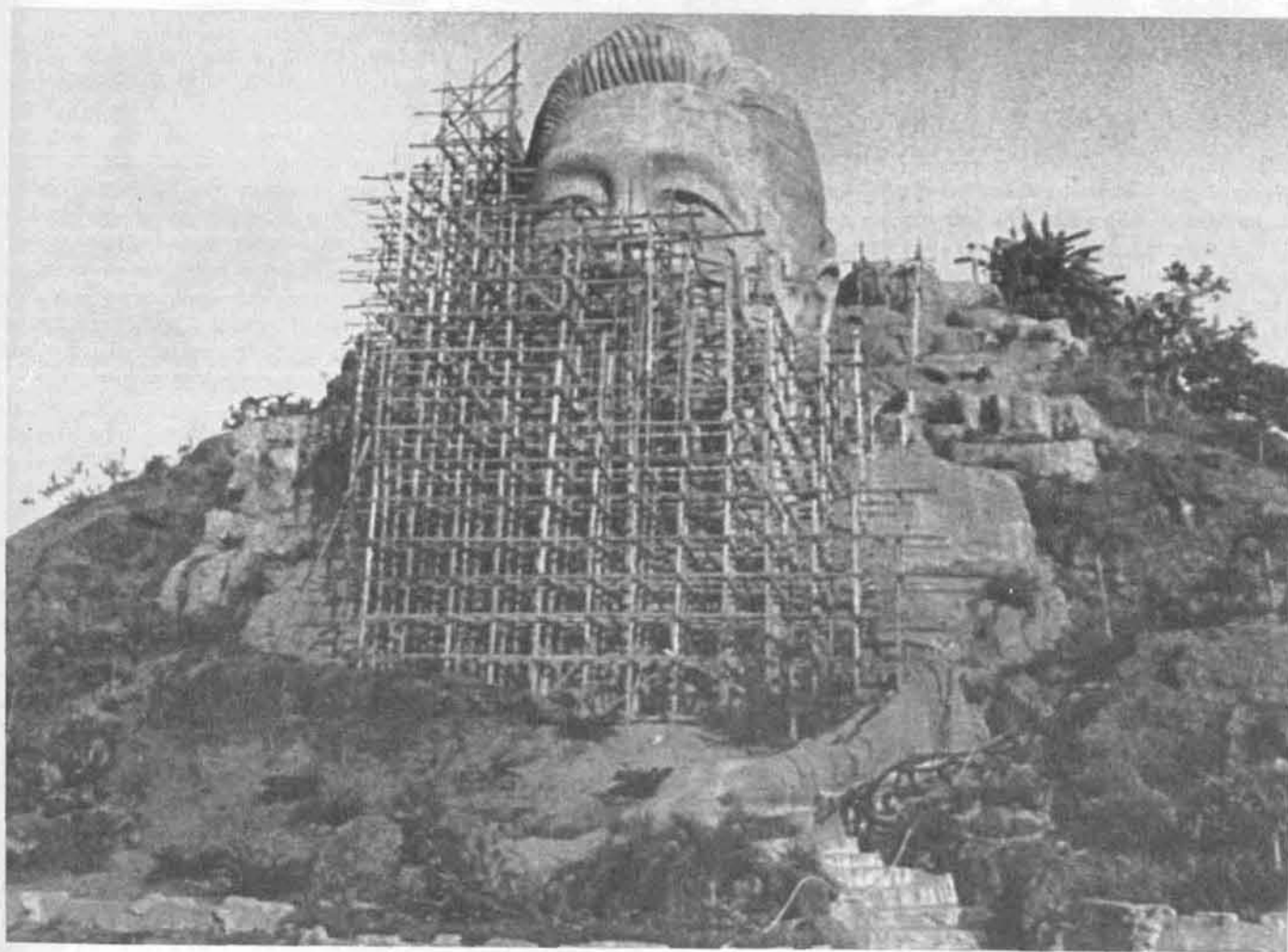
Benigno Aquino, speculating on his future role in the Philippines some 30 months ago, had already seen this coming: "Look, you have a situation where Marcos falls, you come in, the communists back off, and the people expect you to make miracles. How do I put back three million jobs? How do I bring down the price of gasoline, for Pete's sake? So people will say, 'Jesus Christ, you're the guy we waited eight years for? You're even worse!' ... The thing I can say is, the first guy that will come in will be blown out in six months. Then a second guy will come in and he'll be blown out in six months."<sup>7</sup>

The interesting question is whom the United States and the international economic powers can entice into this snare.

□

### Notes:

1. Business Environment Risk Index (BERI), *FORCE '83 Report on the Philippines*, March 15, 1983, pp. 33, 41.
2. *Ibid.*, p. 15.
3. Quoted in *Asian Wall Street Journal Weekly*, November 1, 1982, p. 1.
4. Quoted in *Christian Science Monitor*, October 5, 1983.
5. *Wall Street Journal*, October 17, 1983.
6. Quoted in *Far Eastern Economic Review*, September 22, 1983, p. 79.
7. Quoted in *Multinational Monitor*, February 1981, p. 16.



Fifty-foot Marcos monument outside of Baguio City north of Manila.

drive to secure control over the succession should have been aimed at weakening Enrile—and strengthening the Imelda/Ver faction.

The first step toward this end was Marcos' August 1981 appointment of Ver as Chief of Staff of the Armed Forces of the Philippines. Ver's chief rival was General Ramos. For Ver, who was already chief of the most powerful intelligence agency in the country, the National Intelligence and Security Administration (NISA) and of the powerful Presidential Security Command, the appointment consolidated his control over most of the military establishment. Marcos further demonstrated his faith in Ver in March, 1982, by entrusting him with a videotape containing secret instructions in case anything happened to Marcos during a trip to Saudi Arabia.

The next step occurred in August, 1982, when Marcos appointed Imelda to the Executive Committee, a cabinet body which would take power if Marcos died or were forced to resign. The Committee was chaired by Prime Minister Virata, but Imelda loyalists had a majority within it. Imelda's supporters in the New Society Movement, the government party, launched an attack on Virata in April, 1983, which further weakened his position in the Committee. The Committee itself was abolished in November, 1983, in the wake of Aquino's murder.

In retrospect, Marcos' success in building up the Imelda/Ver faction seems to have been signalled by an apparently unrelated business alliance which was cemented between March and May, 1983. Eduardo Cojuangco, Jr. and Andres Soriano, Jr., chairman of San Miguel Corporation, became partners in a deal which surprised most observers. San Miguel is the largest and most prestigious corporation in the Philippines, and Marcos has long wanted to acquire a stake in it. For years, the Soriano family, together with their allies, the Zobel-Ayals, were powerful enough to resist Marcos' attempts. In early 1983 a dispute between Soriano and his cousin, Ayala Corporation Chairman Enrique Zobel culminated in Zobel's resignation as San Miguel vice chairman and the sale of his bloc of San Miguel shares—20 percent. Marcos finally found an opening. Cojuangco bought Zobel's share of San Miguel in March, 1983. Two months later, Soriano bought a large chunk of United Coconut Planters Bank, the flagship of Cojuangco's business empire and one of the largest banks in the country.

At the time, these arrangements seemed to undermine the trend towards strengthening the Imelda/Ver faction at the expense of the Enrile/Cojuangco faction. In the context of Marcos' concerns, it did not seem to make sense that he



*Dau, Pampanga, funeral march.*

would allow the Enrile/Cojuangco faction to put together perhaps the most powerful business alliance in the Philippines. It now appears, however, that Cojuangco agreed to abandon Enrile and join Imelda and Ver in exchange for permission to conclude the Soriano deal. Thus, by late spring, Marcos had apparently finessed the succession question.

## Reagan reversed Carter's policy of demanding liberalization.

He appeared to be doing equally well with his other major backer, the U.S. government. When rumors of Marcos' failing health first surfaced in the late 1970s, the Carter Administration began to push for an orderly and constitutional succession process. Marcos also came under pressure to make some accommodation with the elite opposition, including the release of Aquino from prison. Carter Administration officials, especially Manila embassy personnel, made no secret of their skepticism of Imelda's and Ver's ability to hold things together after Marcos. When Ronald Reagan came to office in 1981, however, the pressure eased.

At the June 1981 inauguration marking Marcos' reelection to the presidency, U.S. Vice President George Bush indicated the Reagan Administration's unequivocal support for Marcos with his now infamous toast to Marcos' "adherence to democratic processes." The appointment of Ver as Armed Forces Chief of Staff came just over a month later. Imelda's appoint-



*Ninoy's brother. Agapito at Kabankalan, Negros rally.*



One rumor says that the Aquino assassination plot was code-named "ET," for "Exterminate Totally."

ment to the Executive Committee in August, 1982, was followed by what Marcos considered a very successful state visit to the United States in September. On June 1, 1983, Marcos concluded negotiations with the Reagan Administration over continued U.S. use of military bases in the Philippines. The \$900 million "rental" for the bases which was promised to Marcos included loans with terms so generous that many observers called them "giveaways."

**B**y the first week of June, 1983, then, Marcos had every reason to think that things were going well for him. He must have been shocked by what he heard from Secretary of State George Shultz during a visit to Manila at the end of the month. While there are no reports on their discussions, Shultz's team made a point of leaking what must have been his message to Marcos. "The Marcos regime," a Shultz aide told the *New York Times* on June 25, "is entering its twilight and we don't want to find ourselves in the same position as we did in Iran when the Shah was overthrown." On June 26, Assistant Secretary of State for East Asian and Pacific Affairs

## Marcos expected a move against him.

Paul Wolfowitz told a U.S. Congressional committee that Marcos should consider relaxing controls on the opposition.

Only three days before, Aquino had delivered a long speech to the Asia subcommittee of the House International Relations Committee, warning that the Philippines was on the brink of disaster unless Marcos allowed the opposition to participate in government. Earlier in the month, after a long period of public vacillation, Aquino had announced that he was going home. The apparent coordination between Aquino and Shultz must have convinced Marcos that the United States was trying to set Aquino up as his successor.

In mid-July, Marcos harangued a group of American Congressional representatives about the perils of U.S. duplicity in relations with his regime. If the Congress fails to approve the \$900 million rental for U.S. bases, Marcos said, he would turn to the Soviet Union. At the time, the tirade did not make sense. Congress would not discuss the bases agreement until September at the earliest, and the appropriation process would start even later. What Marcos may have been thinking of, however, was Aquino's return.

On July 21, Deputy Foreign Minister Pacifico Castro cabled Aquino with a request that he postpone his trip for a month because of alleged assassination plots against him. Defense Minister Enrile followed with a similar telegram on August 2. But it was clear that concern for Aquino's safety was not the government's only motive, for it was simultaneously announcing more coercive measures to keep Aquino away: it would not renew his passport; worse, it would cancel the landing rights of any airline which brought Aquino to the Philippines. Quoting media, diplomatic, and government sources, the August 12 issue of the *New York Times* described the government's reaction to Aquino's impending return as "baffling" and "panicky."

"What does [Aquino] want?" Presidential spokesman Adrian Cristobal asked the *New York Times* on August 12. "What kind of show will he put on? How will he behave?" Marcos must have found it hard to understand why a man he had imprisoned for eight years would return for more of the same or worse—and do it in the face of death threats. It may have been precisely the apparent foolhardiness of Aquino's determination which convinced Marcos that he had American backing. At various times, Marcos has privately expressed fears that the CIA would organize a coup against him, and he may well have assumed that Aquino's activities from June onward were coordinated with the Reagan Administration.

A series of moves in late July and early August gave every indication that Marcos expected a move against him. Already at the head of the Armed Forces of the Philippines, the loyal General Ver now gained control over the entire military structure. Marcos disbanded a number of Philippine Constabulary (PC) units with particular loyalties to Ramos and placed several inter-service commands directly under Ver while trans-





ferring direct command of the whole PC from General Fidel Ramos to Ver. Ramos, a West Pointer, is generally considered to be more attuned to American thinking about the Philippines than Ver. Marcos also chose this time to promote 27 new generals, 25 of them reportedly close allies of Ver. This was generally viewed as a slight to Enrile, who is alleged to have offered to resign as a result.

"Increasingly in public, Marcos has treated Enrile with scorn and sarcasm," reported the *London Observer* on August 28. "The Minister of Defense," the *Observer* quotes Marcos as saying, "is nowhere in the chain of command. He cannot even order a single battalion from Cagayan to Ilocos." Tension between Enrile and Ver factions was so high at this time that, according to a CIA cable from Manila quoted by Jack Anderson on September 22, Enrile supporters were saying, "We must keep our heads down and our mouths shut. Unless we do, we will not survive. . . . [We must] smile and do what is necessary to stay alive."

If Marcos had Aquino killed because he believed the latter was the spearhead of a CIA-directed plot against him, he may have grossly miscalculated. Aquino's pragmatic political stance certainly precluded unnecessarily antagonizing the U.S. government, and he may have thought he could get American support in the future. But Aquino believed, according to his associates, that the Reagan Administration remained fully committed to Marcos. All the official U.S. support he had was encouragement from a few members of Congress and some middle level State Department officers.

Aquino went home because he believed that Marcos' health had deteriorated to a point where a succession battle was imminent. An announcement on August 4 that Marcos was going into "seclusion" for three weeks convinced Aquino that

Aquino believed a succession battle was imminent.

Marcos was already dying. Ever conscious of the need to keep his options open, he made a point of suggesting that he might be able to persuade Marcos to organize a transition to a more open political system. Aquino may have thought his discussion of this option would make his return less confrontational—although he was also keeping open the possibility of leading the opposition by continuing to attack the dictatorship.

Whatever the precise sequence of events leading up to the decision to "salvage" Aquino, it is clear that Marcos himself had a hand in the process. Aquino was murdered because he



threatened Marcos' plan to establish Imelda and Ver as his undisputed successors. He was murdered as he entered the country because a paranoid Marcos thought that a CIA-organized coup against him was imminent. Marcos moved with severity and crudeness because he thought he was fighting for his survival. He failed to predict that in the process he would unleash political forces far more powerful than his paranoid fears. □

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# The Search for Ninoy's Killer

## The government story about the Aquino assassination is too shoddy to convince anyone.

Joel Rocamora

**T**he Marcos regime's story is implausible enough. But what is really incredible is the government's idea that people will actually believe it. The official account of Benigno Aquino's death goes like this:

Aquino was murdered by Rolando Galman y Dawang, alias Commander Bert Ramos of the Communist New People's Army. Communist Party Chairman Rodolfo Salas recruited Galman to kill Aquino after Rosendo Cawigan, 44, refused the assignment. Cawigan, formerly Aquino's bodyguard and now serving as an undercover intelligence agent, told military intelligence officers in May 1983 that Salas had asked him to kill Aquino. It was Cawigan's report which prompted Marcos to warn Aquino about an assassination plot against him.

On the day of Aquino's arrival in the Philippines, no one in the government knew which plane he was on. The 35-man Aviation Security Command (AVSECOM) team, which included an armored van and several other vehicles, met all eight incoming flights to look for Aquino. Galman followed the team. When China Airlines Flight 811 arrived with Aquino aboard, three unarmed AVSECOM men entered the plane.<sup>1</sup> They were instructed to check Aquino's travel papers and prevent him from leaving the plane if his papers were not in order. Another version of the government story says they were supposed to take him to a nearby military camp.

After the three security men found Aquino, they went out the door of the plane to the embarcation tube leading toward the terminal, turned into an emergency exit in the tube, and led Aquino down the stairs onto the tarmac. When Aquino reached the tarmac, Galman dashed out from a hiding place behind the stairs and shot him from behind. Galman used a Smith and Wesson Magnum 357 and killed Aquino with one shot from a distance of 18 inches. Galman then ran toward the AVSECOM van but was immediately shot dead by nearby security guards.

Galman was not identified until August 30, nine days after the murder. For the first few days, the only clue to his identity was the name "Rolly" embroidered on his brief and the initial "R" on his ring.

All AVSECOM personnel who were at the site have been interrogated, and there is no evidence that any of them fired at Aquino. Six witnesses are willing to testify that they saw Galman shoot Aquino. All AVSECOM security personnel, however, are confined to quarters pending resolution of the investigation.

Independent investigators have cast doubt on virtually every point in the government's tale of how "Ninoy" Aquino was assassinated.

**1. Cawigan's story.** If the government knew in May about a Communist plot to kill Aquino—and took the report

seriously enough to warn Aquino—why was the story not released until Marcos' August 23 television address? If the government knew about Galman's role in the supposed plot, why was he not arrested before August 21? Why did it take nine days to identify him?

Moreover, Cawigan was an unlikely candidate for selection as a Communist hitman. He was an important witness against Aquino in his 1978 trial for murder and subversion. As part of his testimony, Cawigan claimed that Aquino, for whom he had once worked as a bodyguard, had harbored Communist guerrillas in his home and provided them with medical aid. Why would Communist leaders entrust such a man with knowledge of their plot or ask him for assistance?<sup>2</sup> In the surprising event that they did, it is inconceivable that they would then allow him to go free with that knowledge once he turned down their request. Aquino's widow, Corazon, calls Cawigan's story "stupid" and "really preposterous."

**2. Galman.** The government's story on the alleged killer, Rolando Galman Y Dawang, is riddled with inconsistencies. Many people have questioned why, when Galman was already lying on the tarmac wounded and disarmed, two soldiers pumped more bullets into him.

In late December, 1983, two Philippine Airlines technicians who said they had been near the scene of the assassination testified that Galman could not possibly have shot Aquino. In his testimony before the Agrava commission, Ramon Balang said that he saw Mr. Galman smiling and greeting members of the AVSECOM team just before Aquino was shot. "I don't think he had the opportunity to fire a shot," Balang said. His testimony corroborated an interview given to the American NBC TV network by Ruben Regalado. Regalado said that he saw that Galman had a gun but that his wrists were being held by a soldier when Aquino was shot. He also said that Galman was in front of Aquino just before the first shot.



The government has cast the most serious doubt on its own claim that for nine days it did not know who Galman was. It claims that Cawigan told military intelligence agents in May 1983 that Galman was the man designated by the Communists to kill Aquino. On August 23, seven days before Galman's identity was announced, armed men took Galman's common-law wife and their nine-year-old son away from their home in San Miguel, Bulacan. Four days later, an Air Force intelligence team headed by Col. Bernabe Gonzales picked up Galman's mother, sister, and uncle.<sup>3</sup>

Hardly anyone believes the government's claim that Galman was a Communist. Instead, as the *London Times* suggested on September 4, "his past suggests that he had more in common with the military." Galman had a long crim-

stayed together at a motel close to the airport in the constant company of five armed men with military haircuts for several days before August 21. "This is a tough mission," Galman is said to have told Oliva. "You can't know about it." A week after the assassination, Oliva was taken into custody by armed men, and her whereabouts remain unknown.

**3. Which plane?** The government claims it did not know which plane Aquino was on. But the *Christian Science Monitor* reported on August 26 that Col. Vicente Tigas, chief of the Security Information Unit of the Malacanang Media Affairs Office, told photographers to go to Gate 8 one-and-a-half hours before Aquino's plane landed. China Airlines flights usually land at Gate 2, and the routing of this flight to Gate 8, the most isolated in the terminal, also

would be led through the emergency exit to the tarmac? It is equally implausible that Galman escaped notice while following guards who checked seven other planes.

**5. Armed soldiers.** The government claims that three unarmed AVSECOM troopers escorted Aquino off the plane. Television footage carefully analyzed by the Japan Broadcasting Network and the Tokyo Broadcasting System show, however, that a fourth uniformed soldier was on the plane and that at least two of the four soldiers may have been armed. Japanese correspondent Kiyoshi Wakamiya says that he saw two of Aquino's escorts pulling out their guns, and investigating commission counsel Amadeo Seno reports that government tests found powder burns on two of the four guards. This indicates that they not only carried guns but fired them.

After insisting for three months that only three soldiers entered Aquino's plane, the government now admits that other soldiers and plainclothes agents did come on the aircraft.

**6. Ballistics.** The shot that killed Aquino entered his head behind his left ear and exited through his chin. This trajectory suggests that the killer was taller than Aquino. Galman was either 5'4" or 5'7", depending on which government report one chooses to believe, while Aquino was 5'10". Japanese analyses of the television footage suggest that Aquino was shot by someone other than Galman who was several steps behind Aquino on the stairs. In his testimony to the government investigating commission, Dr. Bienvenido Munoz, the government doctor who autopsied Aquino, claimed that the bullet changed its direction inside Aquino's head. "His testimony is against the laws of inertia and physics," commented opposition lawyer Juan T. David after the hearing. Even Amadeo Seno, the commission's deputy legal counsel, said the testimony "defied common sense."

**7. Weapon.** A Magnum 357 fired from a distance of 18 inches, as the government claims, would have blown off half of Aquino's lower face. Instead, the exit wound on Aquino's chin was small and neat.

## Galman's past suggests that he had more in common with the military than the communists.

inal record which included murder, car theft, and armed robbery. He was arrested in February 1982 for robbery, auto theft, and illegal possession of firearms. Unlike ordinary criminals who go through the courts, Galman was sent to a military prison, Camp Olivas, under a presidential commitment order (PCO). The PCO is normally used only for political prisoners, and Galman had no record of political activity.

Only two months later, Galman was released to the custody of Col. Arturo Custodio, an Air Force officer attached to the headquarters of Gen. Fabian Ver and reputed to be close to Imelda Marcos. *Newsweek* reported in its September 26 edition that Custodio grew up in the same town as Galman and employed him to do occasional light work until less than a week before the Aquino killing.<sup>4</sup> In November 1982, Galman was again arrested for robbery and illegal possession of firearms, offenses for which bail is normally refused. But when two Chinese businessmen offered P40,000 (US\$3,000) as bail, it was accepted and Galman was released.

*Newsweek* also reports that Galman and a girlfriend named Alma Oliva

raises questions. AVSECOM plans for Aquino's security—as submitted to the Agrava commission—show conclusively that AVSECOM planned to have Aquino's plane routed to Gate 8. At a commission hearing, AVSECOM chief Gen. Luther Custodio denied this until the commission counsel showed him the page in the security plan that he carried in his own briefcase.

**4. Security.** How did Galman manage to penetrate tight airport security? AVSECOM ordered most legitimate ground personnel off the tarmac and continually rechecked those who remained. In late October, almost two months after the murder, the government announced that Galman had had a stolen Presidential Security Command ID pinned to his shirt. Pictures of his body on the tarmac do not show the ID, however, and security personnel would surely have questioned someone in an airport maintenance uniform wearing a Presidential Security Command badge.

Many investigators have asked how Galman knew which plane Aquino was on when the government claims it did not know. Even if he knew which plane to meet, how did he know that Aquino





8. **Bodies.** The location of Galman's body in front of Aquino's is not consistent with the government's story. It meshes more accurately with the accounts of two Japanese journalists, Wakamiya and Katsuo Ueda of Kyodo News Service, who said that Galman "appeared" or "was pushed" from inside the AVSECOM van parked beside the plane.

9. **Witnesses.** Suspicion has also focused on the government's extraordinary efforts to prevent anyone from witnessing Aquino's first steps onto Philippine soil. The Aquino family and opposition leaders had been promised that they

## Independent investigators have cast doubt on every point.

would be allowed to greet Aquino at the plane but were prevented from doing so at the last minute. Ken Kashiwahara, Aquino's brother-in-law, who was with him on the plane, was stopped from leaving with him. Journalists were forcibly barred from following Aquino down the steps. Government agents confiscated film from photographers at the airport whose film might have recorded the shooting.

Nonetheless, there were witnesses. Aquino family members say they know of at least 11 people, six Filipinos and five foreigners, who saw one of the soldiers shoot Aquino. Because of fear of government retribution, only two of these witnesses have testified in public.

### Notes

1. The government later admitted that a fourth AVSECOM man boarded the plane.
2. *Los Angeles Times*, Oct. 2, 1983
3. *Asiaweek*, Sept. 9, 1983
4. Custodio appeared before the government's investigating commission saying that he knew Galman but did not know much about his activities.



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# Booknotes

Linda Mason and Roger Brown. *Rice, Rivalry, and Politics: Managing Cambodian Relief*. Notre Dame: University of Notre Dame Press, 1983, 218 pp., \$19.95 (cloth), \$9.95 (paper).

A much-needed book, this study by two relief workers provides a careful examination of refugee assistance programs along the Thai-Kampuchean border. The authors have augmented their own experiences with extensive documentary and interview research to produce a critical and comprehensive analysis of the relation of relief organizations with refugees, with each other, and with political institutions. While they assess the overall impact of the border programs as positive, Mason and Brown pull no punches in criticizing the use of humanitarian aid programs to supply food and weapons to the Khmer Rouge armed guerrillas. They make telling points about relief organizations' perceptions of themselves as powerless—which sometimes leads them to become the tools of governments. Mason and Brown believe that relief agencies in fact have considerable leverage and ought to use it.

Bruce T. Downing and Douglas P. Olney, eds. *The Hmong in the West*. Minneapolis: University of Minnesota Press, 1982, 401 pp., \$8.25. (Prepaid orders only. Write checks to University of Minnesota. Order from Center for Urban and Regional Affairs, 313 Walter Library, 17 Pleasant St., S.E., University of Minnesota, Minneapolis, MN 55455.)

The product of an October, 1981 conference, this book contains a wide range of articles by people working with the Hmong in all parts of the United States. The five sections include papers on Hmong culture and culture change, Hmong language, language learning issues, and problems and prospects for the Hmong in the United States. The individual papers offer differing, often disagreeing, viewpoints as well as valuable information about Hmong culture and the experiences of Hmong in this country.

The introduction by Yang Dao, who was the keynote speaker at the conference, deserves special mention, because it is so misleading. Its conventional anti-communist version of modern Hmong history ignores the divisions among Hmong which pitted clan against clan on opposite sides of the Lao revolution. It asserts instead that all of them fought for "freedom" against the Pathet Lao. It is unfortunate that the conference organizers and book editors did not

choose a framework which more accurately reflected the complex and tragic background behind the contemporary Hmong diaspora.

*Women in Development: A Resource Guide for Organization and Action*. Geneva: ISIS, 1983, 225 pp., \$12. Order from ISIS, P.O. Box 50 (Cornavin), 1211 Geneva 2, Switzerland.



A must for anyone concerned about women's issues. This large-format paperback includes well-written analytical articles and extensive resource lists on women and multinationals, women and rural development, women and health, education and communication, and migration and tourism. The editors view their effort as a bridge between feminism and the issues of development, which is often asserted to promise a new life for women as an automatic consequence of progress. "Our hope," they write, "is that the shared insights, experiences and resources in this guide will contribute to developing a new theory and practice of development which includes a feminist perspective."

The guide is a publication of ISIS, an international women's information and communication service which includes a resource and documentation center. ISIS also publishes a quarterly *Women's International Bulletin* and a monthly news bulletin.

U.S. Committee for Refugees. *World Refugee Survey 1983*. 76 pp., \$6.00. (Order from USCR, 20 West 40th St., New York, NY 10018)

Twenty-fifth issue of the USCR's annual report on refugees throughout the world. Articles treat definition of "refugee," repatriation, and case studies of Palestinians, Ugandans, Soviet Jews, Central Americans, and Southeast Asians. Other topics include Australian and U.S. immigration policies. Issue also

includes world refugee statistics, country reports, and a list of organizations and materials.

The *Survey* takes a pro-refugee advocacy position which focuses on the human needs of all people who feel compelled to leave their home countries. It does not make value judgments about conditions in different countries or analyze the political forces which create refugee situations.

Robert Archer. *Vietnam: The Habit of War*. London: Catholic Institute for International Relations, 1983, 54 pp., £1.25. (Order from CIIR, 22 Coleman Fields, London N1 7AF, England.)

A concise introduction to modern Indochinese history which stresses the ways in which current conditions in Vietnam grew out of the U.S. war in Indochina. There is nothing new here, but the short format and clear writing make this a useful tool for introducing postwar Vietnam to new audiences. Archer is critical of specific Vietnamese policies but calls for resumption of Western development aid to serve immediate human needs and to help Vietnam develop a more independent stance toward the Soviet Union.

"Boat People." Film directed by Ann Hui.

Astoundingly, "Boat People" is making the commercial theater rounds as a documentary. Yet it is a fictional story portrayed by Hong Kong actors in Chinese and filmed in China. The story is based on tales told by refugees in Hong Kong. The Chinese government reviewed the script, and, according to director Hui, suggested a few historical changes which she adopted. Since there is hardly any historical material in the film, it is hard to imagine what she means.

The film is blatant anti-Vietnamese propaganda, yet the high quality acting of the protagonists makes it disturbing. Nobody would want to defend the bestial society which the film shows, and it is difficult to admit that some of the incidents may be true while finding the whole to be false. Hui shows Vietnamese officials as brutes or cardboard figures—except for one cadre who reminisces fondly about his student days in Paris and seems to find little worth living for in today's Vietnam. She offers no reason for most of the brutality and no context for understanding what she portrays. Prisoners are put to work clearing mine fields, for example, but we never learn that American forces were the primary source of unexploded ordnance—or that the U.S. government has withheld information and technical

assistance which would make the removal of explosives less hazardous.

Among the many errors of fact in this alleged documentary, two stand in ironic juxtaposition. Public executions—with corpses left lying on the ground—are depicted as routine. There has been no corroborated evidence of large numbers of executions, despite some deaths from harsh treatment in reeducation camps and prisons. Within this monstrous society, however, the visiting Japanese journalist who provides the eyes for the entire narrative is allowed virtually complete freedom to observe what he will, even receiving a pass to travel unaccompanied to a reeducation camp (falsely identified as a new economic zone). Such license is extremely unlikely.

The story is supposed to take place in 1978 when tensions between Vietnam and China mounted and security concerns led the Vietnamese government to expel large numbers of ethnic Chinese and to harass others. Panic was widespread in the Chinese community, and it is quite likely that the refugee stories Ann Hui heard in Hong Kong were told about Danang by people who had heard them in Saigon. Nowhere does the film explain the political context of 1978 or acknowledge that the Vietnamese government has taken responsibility for and changed many mistaken policies adopted in that year.

"Boat People" is bloody and brutal. Unfortunately, many Americans know too little about Vietnam to recognize its falsehood and will find that its graphic images flesh out the impressions they have picked up from the anti-communist rhetoric of the U.S. government over the past few years.

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## CONSUMERS

**A Malaysia-based consumers' network** is making it harder for industrialized countries to dump their hazardous products in the Third World. By putting its worldwide watchdog system behind a United Nations campaign to halt such dumping, the International Organization of Consumer Unions (IOCU)—the umbrella for over 120 consumer associations in 50 countries—is enabling the campaign to become effective immediately.

Under a 1982 resolution, the UN Secretary General is mandated to maintain an up-to-date list of products "whose consumption and/or sale have been banned, withdrawn, severely restricted or, in the case of pharmaceuticals, non-approved by governments." The list is intended to aid individual governments in regulating imports to their countries. Only the United States voted against the resolution. In addition to the United States, Japan, Britain, and West Germany have also refused to provide information on domestically banned products.

The U.S. refusal to cooperate with the United Nations sparked fears that the campaign might be crippled. Information supplied by IOCU member organizations will make it possible for the UN listkeepers to keep up with new regulations on specific products.

The United States is the world's largest producer of hazardous products. American exports of such items as the Dalkon Shield intrauterine device and children's clothing treated with Tris, a carcinogenic fire retardant, are among the better-known cases of hazardous products sold in the Third World after being banned at home. American aid programs' use of the injectable hormone Depo-Provera for birth control, prohibited in the United States, has also received much attention.

The IOCU cooperates closely and shares a building with the Consumer Association of Penang (CAP). Its president, Anwar Fazal, was one of the founders of the CAP, which is one of the most active progressive organizations in Malaysia.

Anwar believes effective consumer protection will grow only out of massive lobbying based on increasing awareness of the dangers posed by specific products and policies. The UN list provides a means by which organizers can mobilize such lobbying even when governments are loath to challenge the absolute freedom of multinational corporations to do as they please. In Southeast Asia, Malaysia and Thailand have recently adopted laws regulating some aspects of hazardous-product imports, and Vietnam was one of the original sponsors of the UN resolution.

## MALAYSIA

**A constitutional crisis** pitting the elected national government against traditional Malay rulers ended in mid-December with a compromise. The crisis had been building up since August, when the Malaysian parliament passed a series of 22 constitutional amendments which would have sharply limited the power of the hereditary king and sultans. The king refused to sign the amendments into law until he received a pledge on December 15 that a special session of parliament would convene in Jan-

uary to modify the amendments. It was not revealed what specific concessions were made.

Prime Minister Mahathir Mohamad, who had treated the stand-off as a confrontation, raised the stakes in November by going directly to the people. In the first of what he promised would be a series of rallies in every state, Mahathir told a crowd of 50,000 in his home state of Kedah on November 26 that he had "no right to step down unless the people want me to do so." He was responding to the private suggestion of several sultans that he resign to resolve the constitutional crisis. He has also accused the royal rulers of "frustrating" the will of parliament and announced that he will not "bargain" over the key principles underlying the amendments. Mahathir was instrumental in pushing the amendments through.

Among their major provisions are stipulations that national and state legislation will become law without the signature of the king or sultan after 15 days. Another provision would transfer the king's right to declare a national emergency to the prime minister. These changes would end the traditional rulers' last remaining rights in Malaysia's legislative process.

Like the British system on which it is modeled, the Malaysian government includes both hereditary ruling families and a nationally elected parliament whose majority leader is the prime minister. Nine sultans—who rule nine of Malaysia's 13 states—enjoy equal status as royalty and rotate in five-year terms as king. While the king's political power is largely symbolic, the sultans retain considerable control over their respective states, which also have elected legislatures.

The sultans' status is particularly sensitive because it embodies the aspiration of Malays to hold on to political dominance in a multi-ethnic state in which they are no longer in the majority. After serious racial riots in 1969, a constitutional amendment defined as seditious any questioning of the authority of the traditional rulers.

Prime Minister Mahathir wants to build Malaysia into a modern, capitalist nation and extols Japan as a model of how to do it. Mahathir's vision, which stresses hard work, discipline, and efficiency, has no place for the feudalism represented by the sultans. The sultans have at times acted at direct cross purposes to the elected government, as when the probable next king refused to shave until his centrally appointed chief minister resigned. When the resignation took place in 1978 after a year of confrontation, he made his public shaving the occasion for a massive celebration.

More important than individual obstructionism, however, is Mahathir's conviction that a modern nation cannot accommodate the kind of ethnic communalism for which the sultans are symbols. Divisions among Malays on the issue are reflected in the fact that Malays have demonstrated both for and against the amendments as well as in a struggle for power within the ruling United Malay National Organization coalition which could undermine Mahathir.

## KAMPUCHEA

**Behind-the-scenes diplomacy** during the 1983 rainy season has brought some indica-

tions of apparent willingness to compromise on both sides of the Kampuchea conflict. ASEAN governments are considering new options for settlement, including reaching an agreement outside the UN framework and the formation of a peacekeeping force which would include Vietnamese troops. The Vietnamese are also demonstrating flexibility on such diplomatic fine points as not contesting the credentials of the opposition Democratic Kampuchea delegation at the United Nations.

Indonesian Foreign Minister Mochtar Kusumaatmadja told the *Far Eastern Economic Review* on December 1 that ASEAN was considering a new approach to the Kampuchea problem. He also stressed, however, that the ASEAN governments would move cautiously and avoid alienating the United Nations or the Democratic Kampuchea coalition. The official UN position on Kampuchea, drafted by the ASEAN governments in 1981, calls for a complete withdrawal of Vietnamese forces and free elections under UN supervision. Vietnam and the Heng Samrin regime in Phnom Penh reject the UN framework as long as the United Nations accepts the Democratic Kampuchea coalition as the legitimate Kampuchean government.

The five ASEAN foreign ministers released a statement on September 20 outlining steps to break the Kampuchea deadlock. The document outlined steps which would include "total withdrawal of foreign forces, the exercise of self-determination and national reconciliation" while preventing the Khmer Rouge from taking control. It suggested a phased withdrawal of Vietnamese troops from specified areas with ceasefires, peacekeeping forces, and international aid to follow the withdrawals. It did not mention a UN role. Mochtar indicated that peacekeeping forces could include Vietnamese.

Mochtar and some other ASEAN foreign ministers believe the Vietnamese may be willing to begin serious negotiations toward a compromise settlement if it is outside the UN framework. Mochtar told the *Review* that Vietnamese Foreign Minister Nguyen Co Thach had described the September 20 proposal as "interesting" and commented on ASEAN willingness to consider Vietnamese amendments carefully.

Meanwhile, the Democratic Kampuchea coalition appears to be split on the issue of possible accommodation. Speaking in New York during the General Assembly session, Norodom Sihanouk, nominal head of the coalition, told reporters that the Khmer Rouge wants "to go on fighting until the end of time... until the end of the earth. But if we are uncompromising, the world will lose sympathy with us." Sihanouk said the Khmer Rouge believes it can take power in Phnom Penh and kill off supporters of Heng Samrin "and us too."

New factors in the situation which may be pushing both sides toward compromise include an apparent thaw in Sino-Soviet relations which could undermine outside support for either side, Australian defection from the ASEAN camp to a neutral mediator role, and a serious drought in Kampuchea which badly damaged the 1983 rice crop. Military activities during the 1983-84 dry season will offer more concrete indications of how far the negotiators have come.

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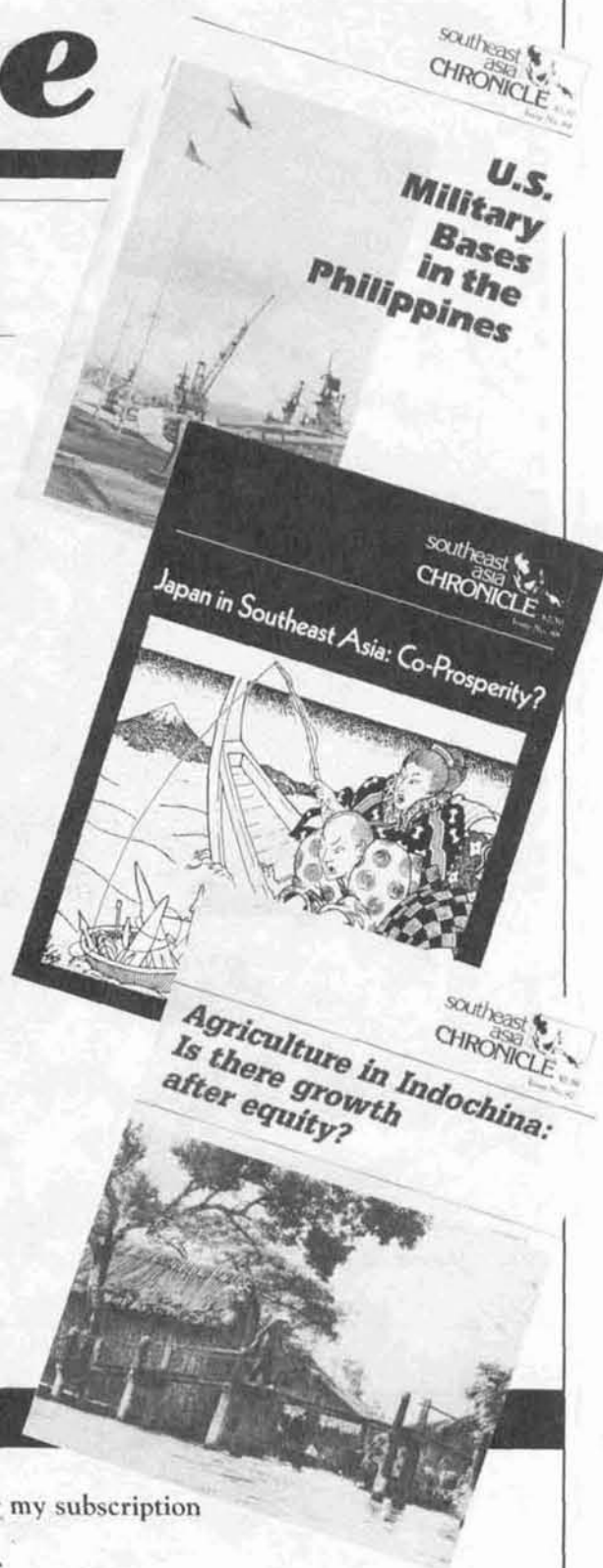
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